(1) Supreme Court, U.S.
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No.

IN THE

Supreme Court of the United States

ALAN BLAU, a/k/a Seal 1,
PETITIONER

v.

YMI JEANSWEAR, INC; DAVID VERED

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

PETITION FOR A WRIT OF CERTIORARI

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QUESTIONS PRESENTED FOR REVIEW

Whether the Ninth Circuit erred when it held that willful infringement is a prerequisite to an accounting of defendant's profits for violations under section 32(1) of the Lanham Act [15 U.S.C. §1114(1)], after the 1999 Legislative Amendment section 35(a) of the Act [15 U.S.C.§1117(a)].

Whether the Ninth Circuit Court of Appeals erred in affirming summary judgment for Respondents when, utilizing a "bright-line" wilfulness requirement for an accounting of profits under section 35(a) of the Lanham Act, it held that evidence of deliberate and knowing infringement is "irrelevant" so long as Respondent subjectively believed that he was acting in good faith.

PARTIES TO THE PROCEEDINGS

Petitioner

Petitioner is Alan Blau, owner of the trademark UBU, and a resident of the State of Pennsylvania. Petitioner was the Plaintiff in the District Court, and the Appellant in the Ninth Circuit Court of Appeals.

Respondents

Respondent YMI is a California corporation having its principal office and place of business in Los Angeles, California. Respondent David Vered is the owner of YMI. Respondents were the Defendants in the District Court, and Appellees in the Ninth Circuit Court of Appeals.

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PETITION FOR CERTIORARI

Petitioner Alan Blau ("Blau") respectfully petitions for a writ of certiorari to review the judgment of the United States Court of Appeals for the Ninth Circuit in this case.

OPINIONS AND ORDERS BELOW

The opinion of the Court of Appeals (Appendix ("App"), *infra*, 1a-3a) is reported at 129 Fed.Appx. 385. The opinion and order of the District Court (App., *infra*, 4a-24a) is unreported. The order of the Court of Appeals denying a timely petition for rehearing en banc (App., *infra* 25a), is unreported at present.

JURISDICTION

The judgment of the Court of Appeals was entered on April 27, 2005. (App., *infra* 1a-3a) The Court of Appeals denied a timely petition for rehearing en banc on June 15, 2005. (App., *infra*, 25a). The jurisdiction of this Court is invoked under 28 U.S.C. §1254(1).

STATUTORY PROVISIONS INVOLVED

Lanham Act section 32(1), 15 U.S.C. §1114(1)(a) provides, in relevant part:

> Any person who shall, without the consent of the registrant, use in commerce any reproduction, counterfeit, copy, or

> colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive... shall be liable in a civil action by the registrant for the remedies hereinafter provided.

Lanham Act Section 35(a), 15 U.S.C. §1117(a), provides, in relevant part:

> When a violation of any right of the registrant of a mark registered in the Patent and Trademark Office, a violation under section 1125(a) or (d) of this title, or a willful violation under section 1125(c) of this title, shall have been established in any civil action arising under this chapter, the plaintiff shall be entitled, subject to the provisions of sections 1111 and 1114 of this title, and subject to the principles of equity, to recover (1) defendant's profits, (2) any damages sustained by the plaintiff, and (3) the costs of the action.

STATEMENT OF THE CASE

Petitioner Alan Blau is the registered owner of the trademarks U.B.U. and U.B.U. INTERNATIONAL in Class 25, which he has been using in connection with the sale of clothing since 1992. Since 1996, Blau has been President of YB Norml, Inc., the licensee of the U.B.U. and U.B.U. INTERNATIONAL registered trademarks

("Blau's Trademarks"). Blau's Trademarks are valid, extant and in full force and effect. In 1996, Blau granted YB Norml the license to manufacture, distribute and sell products displaying the Registered Trademarks.

The unique mark was conceived as a way to allow a certain consumer to identify the products of YB Norml. The company markets to female consumers in their late teens through their late twenties, which is somewhat of a hybrid between juniors and missy in the garment industry vernacular. Although much of its business derived from boutique and specialty shops, it also sold a good deal of product to various department stores, including Nordstrom. UBU products were also prominent at various industry trade shows. Indeed, the exposure from the trade shows was significant feature in generating name recognition. The company, through the exploitation of the UBU mark, enjoyed sales of nearly $1,000,000 in 2001 with advertising of approximately $30,000.

In late 2001, Blau learned through various consumers that another company had been using the UBU mark to advertise and sell its product. More particularly, Respondent YMI had taken the UBU mark and placed it prominently on the labels of its jeans, creating the mark "YMI-UBU." Furthermore, Defendants' infringing YMI lets UBU mark was prominently advertised in the October 2001 issue of Market Magazine.

Respondent YMI was formed in the early part of 2001. YMI is not, nor ever was, authorized to manufacture, sell, distribute or deal in products incorporating Blau's Trademarks in any fashion.

Upon learning of YMI's unauthorized use of the UBU mark, on November 27, 2001 Blau's counsel sent a cease and desist letter to YMI's president, Respondent David Vered which stated that YMI's use of the UBU Mark on its jeans was (1) in direct competition with their U.B.U. clothing line, and (2) likely to cause confusion among consumers.

YMI did in fact receive the cease and desist letter in November of 2001 via Federal Express. YMI did not, however, cease and desist their use of the UBU mark. To the contrary, YMI increased its advertising budget from practically nothing in 2001 to $100,000 in 2002, appeared at trade shows for the first time, placed "YMI jeans lets UBU on the cover of its website, and otherwise did everything possible to sell its infringing YMI-UBU clothing.

In February 2002, at the MAGIC trade show in Las Vegas[1], Blau confronted Vered, who had chosen to prominently feature the YMI-UBU mark in his advertising, and again insisted that the infringement stop. As Vered himself testified: "Alan Blau and his partners came up to me at the YMI booth, introduced himself, and complained about our use of UBU."

Blau continued to receive reports that YMI was infringing on the UBU mark and that his customers were confused by the YMI-UBU mark. Indeed, the company listings at both the Las Vegas and New York trade show had the company, YMI, listed under both YMI and

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[1] MAGIC is one of the two biggest trade shows in the clothing industry, is held twice a year, and is attended by close to 100,000 people per show